

Message Text

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SUBJECT: FIRING OF AMERICAN WORLD BANK CONSULTANT

1. SUMMARY. THE AMERICAN CONSULTANT DISMISSED FROM AN IBRD-FINANCED PROJECT HERE BECAME INVOLVED IN A DESAGREEMENT WITH THE PROJECT DIRECTOR, A GOP OFFICIAL. THE DISAGREEMENT BECAME PUBLIC, AND WHATEVER THE MERITS OF THE CONSULTANT'S CASE, HIS LACK OF APPRECIATION FOR PERSONAL AND NATIONAL SENSITIVITIES INVOLVED HAD MUCH TO DO WITH HIS SACKING. THE MISSION DOES NOT REPEAT NOT BELIEVE THAT THE ISSUE HAS HAD A MAJOR EFFECT ON THE PROJECT, OR ANY SIGNIFICANT EFFECT ON OTHER IBRD PROJECTS, OR ON U.S. NATIONAL INTERESTS. END SUMMARY.

2. THE DISMISSED IBRD CONSULTANT IS RALPH HITCHCOCK, WHO WAS CONSULTING FOR THE DEPARTMENT OF PUBLIC HIGHWAYS (DPH) ON THE BANK-ASSISTED MINDORO INTEGRATED RURAL DEVELOPMENT PROGRAM (MIRDP). HITCHCOCK BECAME INVOLVED IN A FEUD WITH LAUREANO S. MENDIOLA, A DPH REGIONAL DIRECTOR. MENDIOLA IS MIRDP PROJECT MANAGER, AND HITCHCOCK WAS DEPUTY MANAGER.

3. THE PROBLEM FIRST CAME TO PUBLIC ATTENTION ON JUNE 25 WHEN THE "BULLETIN TODAY", IN AN ARTICLE ENTITLED "FEUD MAY PERIL MINDORO PROJECT," QUOTED EXTENSIVELY FROM AN ACRIMONIOUS EXCHANGE OF LETTERS BETWEEN THE TWO MEN. FROM THIS ARTICLE, IT APPEARS THAT THE PROXIMATE CAUSE OF THE EXCHANGE WAS THE APPOINTMENT OF A CONSTRUCTION
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OVERSEER, JOHN BOWLER, BY MENDIOLA, WITHOUT CONSULTING

HITCHCOCK. HITCHCOCK TOOK UMBRAGE, AND CHALLENGED MENDIOLA'S COMPETENCE TO DIRECT THE PROJECT, BASED ON HIS LACK OF EXPERIENCE WITH THE PROJECT. ACCORDING TO THE ARTICLE, MENDIOLA RESPONDED WITH A FIVE-PAGE LETTER, POINTING OUT THAT "YOU NEED A CRASH COURSE IN RESPECTFUL CORRESPONDENCES, PARTICULARLY IN COMMUNICATING WITH AN OFFICIAL WHO HAPPENS TO BE HIGHER THAN YOU IN THE ORGANIZATIONAL SET-UP," AND CITING REPORTS THAT HITCHCOCK HAD BELITTLED THE COMPETENCE OF FILIPINO ENGINEERS AND SHOWN CONTEMPT FOR THE DPH AND THE REPUBLIC OF THE PHILIPPINES.

4. THE "TIMES-JOURNAL" ON JULY 3 AND THE "BULLETIN" ON JULY 5 REPORTED THAT DPH SECRETARY BALTAZAR AGUINO HAD ORDERED HITCHCOCK'S DISMISSAL, AND THAT HAROLD YOUNG, CHIEF OF THE BANK'S ASIA REGION, HAD ACCEPTED AGUINO'S DECISION. ACCORDING TO THE "BULLETIN", AGUINO ALSO INFORMED K.V.S.K. NATHAN, THE BANK OFFICIAL WHO RECOMMENDED HITCHCOCK, THAT HITCHCOCK'S CONTRACT WOULD TERMINATE "90 DAYS FROM JUNE 22, 1976, DUE TO INCIDENTS WHEREBY DEROGATORY REMARKS AND AN OVERBEARING ATTITUDE WERE SHOWN AGAINST MANAGEMENT WHICH WAS EVEN EXPOSED IN THE LOCAL NEWSPAPERS."

5. COMMENT. WHILE WE HAVE NOT ATTEMPTED TO DELVE DEEPLY INTO THE CIRCUMSTANCES THAT LED UP TO THE HITCHCOCK-MENDIOLA CONFRONTATION, IT APPEARS THAT HITCHCOCK IS AT LEAST GUILTY OF INSENSITIVITY AND HAS A SUBSTANTIAL SHARE OF RESPONSIBILITY FOR HIS OWN DISMISSAL. WHILE HE MAY HAVE HAD A JUSTIFIED COMPLAINT ON THE ISSUE AT HAND, WHICH MENDIOLA HINTED WAS THE CASE, HIS MANNER OF APPROACHING THE ISSUE OFFERED LITTLE PROSPECT OF A DISPASSIONATE HEARING. GIVEN THE TONE OF HIS LETTER, MENDIOLA'S SENSE OF INJURED PERSONAL AND NATIONAL PRIDE COULD BE EXPECTED, AS COULD AGUINO'S ACTION IN BACKING UP MENDIOLA.

6. THE FEUD DOES NOT APPEAR TO HAVE SERIOUSLY AFFECTED THE PROJECT, ALTHOUGH THE DISMISSAL OF HITCHCOCK AND THE SELECTION OF A NEW DEPUTY PROJECT MANAGER WILL OBVIOUSLY NOT BE HELPFUL. WE BELIEVE THAT THE ISSUE HAS NOT REPEAT NOT MEASURABLY AFFECTED OTHER WORLD BANK PROJECTS, LIMITED OFFICIAL USE

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OR THE OVERALL RELATIONSHIP BETWEEN THE BANK AND THE GOP.

7. THE FACT THAT HITCHCOCK IS AN AMERICAN APPEARS TO HAVE BEEN INCIDENTAL, AND WE HAVE NO REASON TO THINK THAT IT WAS A FACTOR IN HIS DISMISSAL. THE "BULLETIN" HAS NOT PLAYED UP THIS ASPECT, ALTHOUGH THE "TIMES-JOURNAL", WHICH DOES NOT NORMALLY TREAD SOFTLY IN THESE MATTERS,

HEADED IT JULY 3 ARTICLE, "AQUINO DISMISSES ARROGANT
AMERICAN." A PHILIPPINE NEWS AGENCY ACCOUNT OF JUNE 30,
ON THE OTHER HAND, DID NOT EVEN MENTION THAT HITCHCOCK
IS AN AMERICAN. END COMMENT.
SULLIVAN

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